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22 October 2019

Hon Chris Hipkins
Associate Minister for Education
Parliament Buildings
WELLINGTON

Dear Minister,

Regarding: School bus procurement

We are writing to you as the Minister responsible for government procurement, workplace relations and safety and the school bus system.

FIRST Union is the union for bus drivers, including those who drive school buses. We have around 1000 members in this sector of our union.

The Ministry of Education is currently tendering for school bus contracts which deliver around 10,000 children to and from their schools in Aotearoa every day. We are concerned at the way the current tendering system works which leads to many of these 10,000 children being transported in unsafe buses by drivers working on substandard wages and conditions.

School bus driver wages are some of the worst in commercial driving. Wages sit at close to minimum wage. This is happening despite the responsibility, skill and care required to safely deliver our children to and from school.

The impacts of the low wages are significant for bus drivers, their family and their communities. It also impacts the industry with high employee turn-over as the industry attempts to compete with the higher paying and less stressful truck driving work available.

We have further concerns at the safety of many school buses. Everyone wants children who ride school buses to be safe as they ride to and from school. Bus drivers are concerned that right now our children aren't safe. Ritchie's Transport Holdings Ltd was recently fined \$750 000 after pleading guilty to charges under the Health and Safety at Work Act. Brakes had failed on one of Ritchie's buses, killing three passengers and injuring dozens more.

Ritchie's Transport Holdings have lucrative government contracts with the Ministry of Education to safely deliver children to and from school.

Ritchie's Bus Drivers who are members of FIRST Union have reported numerous incidents and near misses relating to the lack of maintenance on their vehicles. One driver noted an incident from March when the bus brakes failed. The bus was parked, and the brake was on, according to the driver's written report. There were eight children on the bus, and the driver was outside cleaning the windscreen and mirrors when the bus started rolling away.

The driver said they managed to stop the bus as it rolled into an intersection in a 100kmh zone, before hitting the house on the other side of the intersection with the children onboard.

Bus Drivers are concerned that the proposed tendering process does not adequately address the systemic issues that lead to incidents of this kind. These issues could go on for another decade, given the length of the contracts.

The Ministry of Education has an opportunity to implement social procurement in this new tendering round to bring about a new, fairer normal for school bus drivers, mitigate recruitment and retention issues in the industry and provide safe transport for 10,000 school children. Such an approach could include minimum employment and health and safety requirements in the tender process.

We met with procurement officials from MoE over one year ago around these issues. Unfortunately, when we raised with them the possibility of the Ministry using principles of social procurement in their tendering round, they were very dismissive and basically called social procurement a fad and would not be using such a model unless instructed by Ministers.

We have also attempted to meet with your colleague Hon Minister, Jenny Salesa, she was not interested in meeting or discussing these issues.

Recently, the government updated the rules of procurement to incorporate broader outcomes in terms of environmental, social, economic and cultural considerations. These criteria seek to level the playing field where suppliers bidding for government contracts are prohibited from undercutting competitors by cutting corners with unsafe and unfair work practices and ensuring that subcontractors enforce the same level of employment standards.

We are concerned that time is running out and that while the school bus tender seeks improved health and safety standards, it doesn't go far enough, nor does it consider driver wages. We have developed a charter outlining what bus drivers have told us would help. It has been endorsed by 1000 passengers.

Safe buses Charter

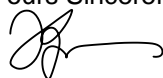
1. Operator is fit and proper
 - a) "Maintain awareness of, and comply with, all applicable laws and regulations of the countries where they operate and refrain from any illegal conduct."
 - b) The company and/or any of its directors has not been convicted of an offence that is punishable by two (2) or more years' imprisonment.
2. Proper health and safety systems are in place
 - a) Including worker elected health and safety committees and workgroups.
 - b) Maintain a modern bus fleet with adequate investment in repair and maintenance.
3. Quality staff are attracted and maintained
 - a) Adequate training
 - b) Living wages are paid

We ask that you instruct MoE to refrain from awarding the contracts until and the tendering approach to the school bus tender round addresses the employment and safety issues that we have raised with you in this letter.

We request a meeting with one or more of you to follow up these matters.

Kind Regards

Yours Sincerely,



Louisa Jones
Assistant General Secretary
FIRST Union